EDC: \$5000

ECC: \$283,000

Page 5 Penroc "9" State No.1 Lea County, New Mexico

February 8, 2000

13 hrs SITP 160#. Bled down in 5 minutes. Gas would burn. RU to swab. FL 3600 from surface. Made 9 runs and oil cut increased to 30%. Recovered 40 BLW. 195 BLW to go. SD at 1:30 p.m.

EDC: \$2000

ECC:\$285,000

February 9, 2000

AOL 7 a.m. 18 hrs. SITP 520#. Plumbed well head w/ choke etc. Laid 1700' poly line. Plumbed at Penroc "10" battery. Opened well on 16/64" choke at 11:15 a.m. Flowed ARO 200 MCFD with no liquids to the meter and died within the hour. RU to swab. Made one swab run. FL 3300'. Well kicked off flowing on wide open choke. Pressure building from 0 to 85# in 30 minutes. Watched well flow on 20/64" choke for 1.5 hrs ARO 8 boph, 210 mfcd and 5 blw. Left well flowing. RD Reeco 4 p.m.

EDC: \$5000

ECC:\$290,000

February 10, 2000

Pumper AOL 7 a.m. well dead. Had made 28 bo, 5 blw and 50 mcf since we kicked off. Close well in for build up and waiting on swab rig.

February 11, 2000

AOL 7 a.m. SITP 220#. Bled to battery. Bled off in 6 minutes. SI and waiting on swab rig.

February 12, 2000 (Sunday a.m. report)

SITP 300#. Opened well on 12/64". Watched 20 minutes. Pressure dropped to 250#. Selling gas ARO 220 mcfd. No liquids as of report time. Left well flowing. Still waiting on swab unit.

February 13, 2000

SITP 300#. Opened well on 12/64" choke and left it flowing to the battery. Lost 50# in 20 minutes. No liquids. Swab unit arrived on location at 5 p.m. (Sunday). RU and kicked